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## **EXHIBIT 3**

**In Re:**  
*RESIDENTIAL CAPITAL, LLC, ET AL.*  
*Case No. 12-12020-mg*

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*Adv. Proc. No. 12-02051-mg*  
*March 5, 2013*

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*eScribers, LLC*  
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1 recognized that we actually are a creditor.

2 Just on the evidentiary point, Your Honor, I think  
3 there are a couple matters as to which Your Honor could take  
4 judicial notice today. And I think that there's no question  
5 about them. One is that no plan can be filed within the next  
6 sixty days, or at least in the short term, there's no plan  
7 before you. I think you have a consensus about that. I think  
8 you can take judicial notice that we have a brand new CRO.

9 THE COURT: So Mr. Shore could turn around tomorrow  
10 and file a plan. I mean, it's a pretty simple construct --

11 MR. MOLONEY: Well, yes ,but --

12 THE COURT: -- of what he's talking about.

13 MR. MOLONEY: Well, he hasn't given in a term sheet  
14 yet. I think you can take judicial notice of that. I think  
15 you can take judicial notice of the fact that the CRO's been  
16 appointed. Judicial notice of the support by the committee and  
17 significant creditor groups, such as the trustee for the  
18 bondholders. And you could take judicial notice of the sales.

19 So if Your Honor -- there is some evidence here by  
20 way -- that supports the proffer effectively, that was made in  
21 terms of these four items which I think you could take judicial  
22 notice of.

23 The second -- the main reason I stood up, though, is  
24 to kind of explain to you -- I think you understand -- but just  
25 exactly what the deal is that was reached between the

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1 committee, which our client is the co-chair, and the debtors,  
2 that's in place here. We had an arrangement with the debtors,  
3 Wilmington Trust individually, and the committee as well, that  
4 we would be involved in any selection of a CRO. That was  
5 breached outright. And I have no quarrel with Mr. Kruger.  
6 I've known him for over thirty-five years. I think he's an  
7 excellent addition to the case as a person. But he was chosen  
8 in breach of the agreement.

9 We then had two options. One simply would be to  
10 appoint a trustee, which frankly, maybe would have been the  
11 best option at the very beginning. However, as Your Honor  
12 started out by talking about the amount of administrative  
13 expense in this case, that clearly seemed to be a very  
14 unpalatable option. So that option was not an option.

15 The second question is well, how will we work with Mr.  
16 Kruger, given he's already been appointed in violation of our  
17 agreement? He's going to have to build some trust. Okay,  
18 we'll give him a window of time to build trust. And during  
19 that window of time, we're not prepared for option 3 you heard  
20 about, Armageddon, to go forward.

21 So we're essentially, as a practical matter, taking  
22 option 3 off the table, because the committee does represent a  
23 wide --

24 THE COURT: So, look, you know --

25 MR. MOLONEY: -- constituency.

C E R T I F I C A T I O N

I, Sharona Shapiro, certify that the foregoing transcript is a true and accurate record of the proceedings.

*Sharona Shapiro*

SHARONA SHAPIRO

AAERT Certified Electronic Transcriber CET\*\*D-492

eScribers

700 West 192nd Street, Suite #607

New York, NY 10040

Date: March 6, 2013



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